REMARKS

Claims 1-20 are pending in the application. The Office Action and cited references have been considered. Favorable reconsideration is respectfully requested.

Claims 6, 7, 8 13-15 and 20 were objected to under 37 C.F.R. 1.75(d)(1), as allegedly failing to conform to the specification. A substitute specification has been filed to overcome this objection. The subject matter of the listed claims has been added to the specification, without the addition of new matter. With respect to claims 7 and 14, Applicant respectfully submits that the subject matter recited therein is also supported in the description on paragraph [0028] of the substitute specification (page 5, paragraph 4 of the original specification). In view of these amendments, withdrawal of this objection is respectfully requested.

Applicant has made further amendments to the claims, to improve their form under U.S. practice. These amendments made above are not "narrowing" amendments. The scope of the claims has not been reduced; no limitations have been added and none are intended.

Claims 1-5, 7, 9, 11, 12, 18, and 19 were rejected under 35 U.S.C. § 102(b) as being anticipated by Castor et al. (U.S. Patent No. 6,246,797). Claims 6, 13, 14, and 20 were rejected under 35 U.S.C. §103 as being unpatentable over Castor in view of Zandi et al. (U.S. Patent No. 5,748,786). Claim 8 was rejected under 35 U.S.C. §103 as being unpatentable over Castor in view of Milsted et al. (U.S. Patent No. 6,263,313). Claim 10 was rejected under 35 U.S.C. §103 as being unpatentable over Castor in view of Atsumi et al. (U.S. Patent No. 6,801,665). Claims 15 and 16 were rejected under 35 U.S.C. §103

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as being unpatentable over Castor and Zandi and further in view of Milsted et al. Claim 17 was rejected under 35 U.S.C. §103 as being unpatentable over Castor and Zandi and further in view of Atsumi. These rejections are respectfully traversed for the following reasons.

Claim 1 recites a method for managing storage space in a storage medium of digital terminal equipment for data storage of images according to a prioritized pixel transmission method. Each image is stored in a data file that consists of an array of individual image pixels. Each pixel has a pixel value that describes the color or brightness information of the pixel. A priority value for each pixel of the array is determined by calculating a pixel difference value based on the given pixel value of the pixel in relation to the pixel values of a previously selected group of neighboring pixels, the priority values indicating the relative importance of the respective pixels to the image. The pixels that are used for calculating the priority value are grouped into a pixel group, and pixel groups of the image array are sorted based on their priority value, wherein multiple data files with pixel groups sorted by priority (P1, P2, ..., Pn) are saved to the storage medium. The method comprises the steps of selecting a lower priority threshold value (Pu) and an upper priority threshold value (Po), wherein the priority threshold values indirectly indicate how much information content of a file is stored on the storage medium, the lower priority threshold means that a greater number of pixel groups are available for reconstruction of the image, and the upper priority threshold means that a fewer number of pixel groups are available for reconstruction of the image, storing files in the form of their pixel groups having priority values between the highest

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priority (P1) and a priority corresponding to the selected lower priority threshold value (Pu) until the available storage space of the storage medium has been filled, increasing the lower priority threshold value (Pu) by one priority level, deleting pixel groups with a lower priority than that of the current priority threshold value (Pu) on the storage medium when additional storage space is needed on the storage medium to create freed storage space, and using the freed storage space in the storage medium for storing further data. This is not taught, disclosed or made obvious by the prior art of record.

Castor discloses an image processing system for storing files in a memory device at a number of incremental quality levels. The Office Action suggests that the image quality levels taught by Castor correspond to Applicant's claimed priority values. Applicant respectfully disagrees. The image quality levels of Castor do not correspond to the priorities assigned to the pixel groups according to Applicant's claimed invention. The image quality in Applicant's invention is corresponds to the number of pixel groups stored in the image file - the more pixel groups there are, the higher the quality of the image. The number of pixel groups to be stored is selected on the basis of a priority threshold value. This is reflected claim 1: "wherein each image is stored in a data file that consists of an array of individual image pixels, wherein each pixel has a pixel value that describes the color or brightness information of the pixel, wherein a priority value for each pixel of the array is determined by calculating a pixel difference value based on the given pixel value of the pixel in relation to the pixel values of a previously selected group of neighboring pixels, the priority values indicating the relative importance of the respective pixels to the image, the pixels that are used for calculating the priority value

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are grouped into a pixel group, and pixel groups of the image array are sorted based on their priority value, wherein multiple data files with pixel groups sorted by priority (P1, P2, ...,Pn) are saved to the storage medium. . . ", and "selecting a lower priority threshold value (Pu) and an upper priority threshold value (Po), wherein the priority threshold values indirectly indicate how much information content of a file is stored on the storage medium, the lower priority threshold means that a greater number of pixel groups are available for reconstruction of the image, and the upper priority threshold means that a fewer number of pixel groups are available for reconstruction of the image. . . . "

Castor discloses a method for managing storing space in a storage medium by reducing the image quality level, thus saving storage capacity. According to Castor, at for example, col. 9, lines 38 *et seq.*, the image quality levels can be reduced by deleting from the image file all analysis arrays associated with one or more transform layers, or by deleting from the image file one or more bit planes of data (see e.g., col. 10, lines 11-14). In the first case, the image data is transformed from a higher quality level to a lower quality level by using a so-called wavelet transform that is based on a Fourier Transform of the image data. The creation of the analysis arrays is described with respect to Fig. 4A. In the second case, simply the lower bit planes of the image data are deleted. This creates image data that is more "granular" and thus smaller in size requiring less storage space. The concept of bit planes is described, e.g., in col. 7, lines 1-25, and col. 8, lines 1-8.

There is no teaching or suggestion in Castor for assigning priorities to pixel groups of the image data and selecting the image quality by a selection of pixel

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groups having a priority between a highest selected priority level and a preset lowest

priority threshold level as recited in claim 1.

For at least these reasons, Applicant respectfully submits that claim 1 is

patentable over the prior art of record. None of the other references remedy the

deficiencies of Castor noted above with respect to claim 1. Accordingly, Applicant

respectfully submits that claims 2-20 are patentable in and of themselves and as they

depend from and include the limitations of claim 1, which is patentable for the reasons

discussed above.

In view of the above amendment and remarks, Applicant respectfully

requests reconsideration and withdrawal of the outstanding rejections of record.

Applicant submits that the application is in condition for allowance and early notice to

the effect is most earnestly solicited.

If the Examiner has any questions, he is invited to contact the undersigned

at 202-628-5197.

Respectfully submitted,

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